

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP  
RICHARD MARMARO (Cal. Bar No. 91387)  
300 South Grand Avenue, Suite 3400  
Los Angeles, California 90071-3144  
Telephone: (213) 687-5000  
Facsimile: (213) 687-5600  
Email: rmarmaro@skadden.com

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP  
JAMES E. LYONS (Cal. Bar No. 112582)  
TIMOTHY A. MILLER (Cal. Bar No. 154744)  
Four Embarcadero Center, Suite 3800  
San Francisco, California 94111-4144  
Telephone: (415) 984-6400  
Facsimile: (415) 984-2698 (fax)  
Email: jlyons@skadden.com  
tmiller@skadden.com

Attorneys for Non-Parties Skadden, Arps, Slate, Meagher & Flom LLP  
and Individual Skadden Attorneys

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE DIVISION

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

KENNETH L. SCHROEDER,

Defendant.

CASE NO. C 07-3798-JW (HRL)

**DECLARATION OF ELIZABETH A.  
HARLAN IN SUPPORT OF SKADDEN,  
ARPS, SLATE, MEAGHER & FLOM  
LLP'S OPPOSITION TO KENNETH L.  
SCHROEDER'S MOTION TO COMPEL**

Date: September 9, 2008

Time: 10:00 a.m.

Courtroom: 8

Judge: Magistrate Judge Howard R. Lloyd

**DECLARATION OF ELIZABETH A. HARLAN**

I, Elizabeth A. Harlan, declare:

1. I am an attorney duly licensed to practice law in the State of California. I am an associate at the law firm of Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden") in San Francisco, California.

2. Skadden represents the Special Committee ("SC") of the Board of Directors of KLA-Tencor Corporation ("KLA" or the "Company"). I have personal knowledge of the facts set forth below and could competently testify thereto.

3. I graduated from law school in 1997 and have worked on two cases involving internal investigations while at Skadden.

4. In June 2006, I began working on an investigation of KLA's stock option granting practices being conducted by the SC. In connection with the SC investigation, I assisted with document review and interview preparation, conducted witness interviews, performed legal research, and drafted portions of case materials as needed.

5. Between June 2006 and September 2006, I participated in and took notes at 18 witness interviews, including interviews of former executives, officers, and advisors to the Company.

6. It was my practice to review in advance of the interviews any documents identified by the Skadden team as potential subjects of the interview.

7. In taking notes at witness interviews, I understood that my primary responsibility was to record information provided or observations made by the witness, which, in my judgment, were of importance to the investigation and relevant to a further understanding of the option granting practices at KLA. I relied on my understanding of the important facts that had been learned in the investigation and applicable legal theories to determine, in my judgment, the relevant facts to be recorded.

8. After the conclusion of each SC interview at which I took notes, I used my notes and recollections to prepare a memorandum of the interview. I circulated a draft of each memorandum to the other attorney or attorneys who attended the interview and incorporated any

1 comments I received from them. Some of the drafts I retained in my files include handwritten  
2 comments from the reviewing attorney or attorneys. To my knowledge, neither my notes nor any  
3 drafts of the interview memorandum were seen or adopted by the witness.

4 9. The notes I took at the SC interviews are not verbatim transcriptions and I did not  
5 understand the purpose of my participation in the interviews to be to create verbatim transcriptions.  
6 I did not share my notes with anyone outside of Skadden. To my knowledge, none of my notes  
7 have ever been seen or reviewed by anyone outside of Skadden.

8 I declare under penalty of perjury under the laws of the United States of America that the  
9 foregoing is true and correct. Executed this 1<sup>st</sup> day of August 2008, in San Francisco, California.

10  
11 

12 Elizabeth A. Harlan  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28